

**TOPIC: REVIEW OF PERFORMANCE CONTRACTS FOR THE
COLORADO STATE UNIVERSITY SYSTEM**

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I. SUMMARY

The purpose of the review of the performance contracts is to provide information on the status of each institution's progress along specific requirements noted in the contracts as well as to determine whether or not the performance contract mechanism was a useful accountability tool for the institutions in Colorado. The attached reports provide a description of the review for the Colorado State University System (CSUS) regarding their past and current performance contract requirements with supporting documentation on all specified goals. Information in this report was provided to the Department of Higher Education (DHE) by the institutions in response to SB 04-189 and in accordance with C.R.S. 23-5-129.

As stated in C.R.S. 23-5-129(1)(c)(I-IV), the specified procedures and goals set forth in the performance contracts shall be measurable and tailored to the role and mission of each institution that is under the direction and control of the governing board, and may include, but shall not be limited to: improving Colorado residents' access to higher education; improving quality and success in higher education; improving the efficiency of operations; and addressing the needs of the state. These goals have provided the conceptual framework for the contracts and data gathering, contract reporting and analysis. The ultimate outcome of the performance contract review process will be to respond to the question of whether or not the state was successful in reaching its statutory goals with the implementation and facilitation of the institutional performance contracts.

II. BACKGROUND

In 2004, as part of the College Opportunity Fund or COF program, (SB 04-189, tuition stipend program), Colorado created an alternative to traditional state regulation of higher education Colorado institutions. Previously, Colorado institutions operated under a system of accountability that employed the Quality Indicator System. In 2004-2005, with COF and its implementation, colleges and universities could choose to remain under the old, more intensely regulated program of accountability, or to sign a performance contract that would set out how the institution would meet its state goals in return for the state easing much of its regulatory oversight. Every public institution in the state opted for the new performance contract. The contracts were all termed to expire in 2009. In recognition of the impending strategic planning process, the CCHE and the institutions entered into agreements to extend the contracts, in their entirety, for an additional 16 months, expiring on June 30, 2011.

III. STAFF ANALYSIS

See Attached Report for CSUS.

STATUTORY AUTHORITY

The DHE is charged, in section 23-5-129(2) C.R.S., to report annually to the Governor and General Assembly on the progress made towards the goals set forth in each public institution's performance contract, (the DHE does not report on the private, independent institutions' contracts). To accomplish this, performance contracts contain reporting requirements specific to each governing board. To assist governing boards and institutions in the reporting of data to demonstrate compliance with performance measures, DHE staff prepared reporting guidelines with templates for written reports and reporting calendars. Hard-copies of the guidelines were provided to governing board chairs, presidents and vice-presidents of academic affairs in 2005. The performance contract guidelines and the corresponding data and reports do not replace or revise any existing data or reports currently collected by the DHE except as provided for in the performance contracts. All information on the status of each public institution's compliance with their respective performance contract is maintained, in both hard copy and electronic form, in the Academic and Student Affairs Office of the DHE.